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Employee Classifications

New Employees

All new employees must complete a 90 day introductory period. The introductory period is a trial period during which a supervisor carefully observes and evaluates job performance.

Regular Employees

A regular employee is an employee who is scheduled to work all available straight-time hours during their normal shift.

Part-Time Employees

If the normal workweek is based on 40 hours, a part-time employee is someone that is generally scheduled for less than 30 hours per week. Part-time employees are not eligible for benefits.

Temporary Employees

Temporary employees are hired through an outside agency for a period of time, dependent upon needs and conditions at Cascade Wood Products, Inc. Time worked through temporary agency does not apply to the 90 day introductory period. Temporary employees are not eligible for benefits.

Seasonal Employees

Seasonal employees are schedule to work for a predetermined, limited period of time. Seasonal employees are not eligible for benefits.

Hours of Work, Pay and Time Cards

Hours of Work for Nonexempt Staff

Workweek and Workday

For purposes of the Fair Labor Standards Act, the workweek consists of seven days beginning immediately after 12:00 midnight on Saturday and ending at 12:00 midnight the following Saturday. The workday is the 24-hour period beginning immediately after 12:00 midnight and ending the following 12:00 midnight.

Regular Work Schedule

A regular work schedule normally consists of eight hours of actual work in a workday, but this may change, depending on the needs of the business and your individual job duties. Your supervisor will inform you of your scheduled hours and any changes to that schedule.

Rest and Meal Periods

You will receive lunch and meal periods consistent with state law. Your supervisor will instruct you when your meal and rest periods will occur.

Overtime Work for Nonexempt Staff

CWP will determine when overtime is necessary and who will work overtime.

You will be paid at the rate of one and one-half times your regular straight-time rate of pay for all hours you actually work in excess of 40 hours in a workweek.

Assigned overtime is mandatory. Late arrival or failure to report for mandatory overtime is treated as a tardy or absence under CWP's attendance policy.

Payday Policy

Regular paydays are every other Friday.

Time Records

It is your responsibility to make sure that you record accurately the hours you worked. Altering, falsifying or completing another employee's time and attendance record is strictly prohibited and is grounds for discipline, up to and including termination.

If your time card is lost or the time clock is not working properly, you must immediately notify your supervisor.

It is your responsibility to do the following:

- Have all hours worked reviewed and initialed by your supervisor or lead-person;*
- Have all overtime hours initialed by your supervisor;*
- Complete the time card on a daily basis; and*
- Sign the time record.*

Pay Deductions for Exempt Staff

CWP is committed to complying with federal and state laws regarding permissible deductions from the wages of employees who are exempt from overtime. We do not intend to deduct from exempt employees' pay for absences where such deductions are inconsistent with exempt status under federal or state law. The general rule is that if an exempt employee works part of a workweek, the employee's salary cannot be reduced because of variations in the quality or quantity of work, although there are a number of exceptions.

Please examine your paycheck stub each pay period to verify that we paid you the correct amount. If you believe that we made an improper deduction from your pay, please bring it to the attention of the HR Department immediately. If we determine that we made an improper deduction, you will be reimbursed promptly for the amount deducted incorrectly.

Your Paycheck

Your payroll stub itemizes deductions made from your gross earnings. By law, the Company is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Your payroll stub will also differentiate between regular pay received and overtime pay received.

If you believe there is an error in your pay, bring the matter to the attention of the Manager of Human Resources immediately so the Company can resolve the matter quickly and amicably. Your paycheck will be given only to you, unless you request that it be mailed, or authorize in writing another person to accept your check for you.

Show-up time/Meeting Attendance

Employees who are schedule to work, report to work, but work is cancelled, will receive a minimum of (two hours) pay. Unless they were notified ahead of time not to report to work by their supervisor.

Employees, who work outside of their normal work schedule due to urgent situations, will be paid all hours worked. If it is less than two hours, they will receive a minimum of two hours pay.

Employees who are schedule to attend mandatory meetings or training sessions for the company will be paid for their attendance.

Direct Deposit

CWP encourages employees to use direct deposit. Authorization forms are available from the Human Resource Department.

Salary Advances

CWP does not permit advances on paychecks or against paid vacation time.

Employee Benefits

Retirement Plan

CWP sponsors a *401(k)* retirement plan for eligible employees. Employees should refer to their copy of the Summary Plan Description (SPD) for details on eligibility, enrollment (contribution

requirements, if applicable), vesting, plan benefits and how to access benefits. Employees can obtain a copy of the SPD from and direct questions to the Chief Financial Officer.

Cascade Wood Products, Inc. reserves the right to interpret, amend, modify or terminate any and all of the terms and conditions of the retirement plan. In the event that there is any discrepancy between the terms set forth in this handbook and those in the SPD, the SPD will control.

Group Insurance Program

- Cascade Wood Products, Inc. provides eligible employees the opportunity to participate in Group Insurance Programs.
 - ✓ Medical
 - ✓ Dental
- Information on premium costs and payroll deduction information may be obtained from the HR department.
- Employees should refer to their copy of the Summary Plan Description (SPD) for details on eligibility, enrollment, plan benefits and how to access the benefits. Employees can obtain a copy of the SPD for each program from and direct benefit questions to HR Department.
- Cascade Wood Products, Inc. reserves the right to interpret, change, modify or terminate any or all of the terms and conditions of the Group Insurance Programs. In the event that there is any discrepancy between the terms set forth in this handbook and the SPD, the SPD will control.

Continuation of Health Insurance Coverage

If your health insurance coverage ends, you may have rights to continuation coverage. Options for health insurance continuation are explained in your SPD.

Life Insurance for Employees and Dependents

Cascade Wood Products, Inc. offers a group life insurance policy, including accidental and dismemberment policy for employees.

Cascade Wood Products, Inc. also offers a life insurance policy that provides coverage for spouses and dependent children. Employees should refer to their policy for eligibility and plan benefits.

Vacation Policy

Please contact Human Resources for more specific information.

Holidays

CWP grants the following holidays as paid holidays to qualified employees:

- ✓ New Year's Day
- ✓ Memorial Day
- ✓ Independence Day
- ✓ Labor Day
- ✓ First Monday of Deer Hunting Season (Production Employee)
- ✓ Birthday (Non-Production Employee)
- ✓ Thanksgiving
- ✓ Day after Thanksgiving
- ✓ Christmas Day
- ✓ Christmas Floating day to be announced by Company each year

You are eligible for holiday pay if you meet all the following conditions:

- You have worked for CWP for at least 30 days prior to the paid holiday; and
- You worked the last regularly scheduled workday before and the first regularly scheduled workday after the holiday unless excused in writing by the company; and
- You are a regular full-time employee, not a temporary or part time employee.

Holiday pay is computed at your regular job rate of pay, including any applicable shift differential, but not to exceed regular scheduled hours.

Under company policy, as a special thank-you to an employee working on a paid holiday, you will be paid *one-and-one-half* your regular rate of pay for hours worked on the paid holiday. We may require that work be scheduled on these days as operations, markets, etc. may demand.

Work Rules

Violation of any work rule may result in discipline, up to and including discharge. The list of rules below does not contain every rule or possible standard of conduct expected from our employees, but it states many of the more fundamental rules. If you are unsure about what is expected of you in a certain circumstance, please ask your supervisor.

Nothing in this listing of work rules is intended to conflict with the "Employment at Will" policy in this Handbook. Our interpretation and judgment of whether or not a rule has been violated is final and binding.

Prohibited conduct includes:

1. Violating safety rules or safety practices.
2. Violating the substance abuse policy.
3. Engaging in horseplay, scuffling or throwing things.
4. Failing to immediately and accurately report an on-the-job injury.
5. Being tardy or absent without authorization or notification.
6. Missing scheduled workdays without notifying us.
7. Contributing to unsanitary conditions or poor housekeeping.
8. Smoking in unauthorized areas.
9. Causing loss or waste of material or parts due to carelessness.
10. Unauthorized use of company phones.
11. Posting, altering or removing any matter on bulletin boards on company property unless specifically authorized.
12. Being dishonest or committing a fraudulent act or breach of trust.
13. Recklessly driving or exceeding safe driving rules while on company property.
14. Threatening, intimidating, coercing or interfering with fellow employees on company property or on company business.
15. Using profane, abusive or threatening language.
16. Leaving the plant during the work shift without permission.
17. Working overtime without authorization or failure to work assigned overtime.
18. Failing to follow job instructions, verbal or written, insubordination.
19. Stealing, misusing, destroying or removing from company premises without authorization any company property or the property of any employee.
20. Using company facilities, equipment time or materials without authorization.
21. Restricting production or causing, creating or participating in a disruption of any kind during work time or on company property.
22. Provoking or instigating a fight or fighting during work hours, on company property or on company business.
23. Engaging in criminal conduct whether or not it is related to job performance.
24. Sleeping on the job during work hours.
25. Falsifying any company records, including employment information.
26. Recording the work time of another employee, allowing any other employee to record your work time or allowing falsification of any time card, whether your own or another employee's.
27. Engaging in any other conduct or omission that we, in our sole discretion, believe to be adverse to the best interests of our organization.
28. Carrying firearms or any other dangerous weapons at any time on company property.
29. Violating any company rule, policy or procedure.

Misconduct or violation of company policies, rules or procedures may result in a verbal or written warning, a suspension with or without pay or termination. We will base the type of discipline we administer upon the facts of each particular case as determined by us.

None of the above standards of conduct or work rules are intended, nor shall they have the effect, of interfering or inhibiting any employee in the exercise of any right guaranteed or protected by law.

Attendance Policy

Our Expectations

Cascade Wood Products, Inc. expects all employees to be on time, at work and ready to work a full shift as a condition of hire and continued employment. Absenteeism, early departures and late arrivals burden your fellow employees. While it is recognized that it may be necessary for you to be absent occasionally, it is important that absences be kept to a minimum.

You are expected to take care of personal affairs and obligations at a time other than during working hours. However, if it is necessary to be off for personal convenience, prior approval must be received from your immediate supervisor. In reviewing that request, he or she will take into consideration the operating needs of his or her department. You may also want to review our "Leaves of Absence" policy.

Call-in Requirements

If you will be absent from work for any reason, it is absolutely necessary for you to *personally* call the absentee hotline (541-826-4659) half hour before the start of your scheduled shift; unless an unforeseeable event or an emergency prevents you from giving advance notice. In the case of an unforeseeable event or emergency, you must *personally* notify the Human Resource department within two hours after the event or emergency. Notice of the employee's absence from a spouse, parent or other person is *not* acceptable, unless an emergency prevents you from making this personal contact. You must state why you are unable to attend work and must leave a phone number where you can be reached. Notifying us of an absence or tardiness does not excuse the absence or tardiness. Upon request, you may be required to furnish proof satisfactory to us to substantiate the reason for absence or tardiness. Any employee who knowingly falsifies information relating to their absence will be disciplined. Incarceration for any alleged criminal or civil law violation is not a valid excuse for not following this call-in policy.

In addition you may send an email or a text message to an account designated by your supervisor, PROVIDED that you and your supervisor mutually agree to this process ahead of time. Your email or text must state the reason you will be absent and for how long. Sometimes delays may occur in delivery of text and email messages. To comply with current State and Federal laws, you are still required to call the Absentee Hotline for documentation purposes, even if you have sent an email or text message.

Failure to call-in violates the call-in policy and will lead to disciplinary action up to and including termination.

Doctor's Release and Status Reports

A doctor's release may be required after any illness. A doctor's release may be required verifying that you are able to return to work following an injury or illness.

If you have provided us with medical documentation that you will be off work for more than one week due to an injury or illness, you are required to contact the HR Department once each week to report the status of your ailment and anticipated return-to-work date, unless you arrange another schedule. Reporting requirements are the same for both on the job and off the job injuries and illnesses. Failing to comply with these reporting requirements may result in disciplinary action.

If needed in order for an employee to be able to perform the essential functions of a job, CWP may grant reasonable accommodation in complying with these policies to individuals with disabilities if it does not cause undue hardship to our operations or cause a direct threat to health and safety. *However, regular attendance and promptness are considered part of each employee's essential job functions.*

Discipline

Excessive absenteeism or tardiness may lead to disciplinary action, up to and including termination of employment. Other continuing patterns of absences, early departures or tardiness, regardless of the exact number of days, may warrant disciplinary action. We will consider your record of tardiness, unexcused absences, excessive excused absences, suspensions, personal days off, leaves of absence and nonindustrial sickness or injury resulting in time missed. However, any absences or tardies that are protected by state or federal law will not count against your attendance record.

Lactation Breaks

Subject to certain exceptions, employees who are nursing may take an unpaid 30-minute break during each four hours of a shift to express breast milk after the birth of a child. The Company will make reasonable efforts to provide a private location. Employees will not be retaliated against for exercising their rights under this policy.

Drug and Alcohol Policy

Please see attachment

Leaves of Absence

Disability Leave

Short-term disability pay is available to eligible employees who suffer a non-work-related injury or illness that prevents them from working. Employees are eligible for short-term disability pay for 12 weeks if they have been continuously employed by us for at least one year.

To verify the need for disability leave, we may request medical certification from your treating physician or from a physician selected by us. Upon returning from disability leave, you must provide a fitness-for-duty certification from your health care provider. Please contact the HR department for additional information.

Family and Medical Leave

The federal Family and Medical Leave Act (FMLA) entitles eligible employees to take up to 12 weeks of unpaid leave in a 12-month period for the reasons below. In situations where an eligible employee is caring for a military servicemember with a serious injury or illness, the maximum period of total FMLA leave is 26 weeks in a single 12-month period beginning on the first day the employee takes leave for this reason.

- Birth and care of your newborn child.
- Placement of a child for adoption or foster care with you.
- Care for your spouse, child or parent with a serious health condition.
- Your own serious health condition.
- When your spouse, child or parent who is in the Armed Forces (including the National Guard or Reserve) has an urgent need for you to take time off from work for a reason related to their covered active duty or impending call to covered active duty; or
- To care for a military servicemember (or veteran within the past five years) with a serious injury or illness incurred on active duty, when you are the spouse, child, parent or next of kin of the servicemember.

1. We have designated a rolling 12-month period measured backward from the date an individual uses any FMLA leave as our 12-month period in which the 12 weeks of leave entitlement occurs.

Medical insurance continues during FMLA leave on the same basis as if you had continued to work. In some cases, you may be able to use paid leave (such as accrued vacation, sick pay, etc.) at the same time as FMLA. Our FMLA policy contains more detailed information about your rights and responsibilities. You have been provided with a copy of the policy. If you have misplaced your copy, we encourage you to obtain another copy of the policy from your supervisor or the HR Department.

You should also refer to the FMLA poster and the state law poster posted at your worksite. Among other things, our policy explains our requirements for advance notice before leave, *the payments and procedures you need to follow to continue your medical insurance*, periodic call-ins during leave, certification of the need for leave, and fitness-for-duty certification prior to

returning to work from leave for your own serious health condition. You may obtain leave request forms from the HR Department.

Other Benefits:

The Company will continue to provide you with your regularly provided benefits, including but not limited to disability insurance, life insurance, pension plans, and retirement plans. However, you will continue to be responsible for your portion of the cost. Please contact the Human Resource department about payment schedule.

Other Family and Medical Leave Under State Law:

Oregon Family Medical Leave (Available in HR)

Jury Duty

We support your civic duty to serve on juries when called. As required by federal law, *exempt* employees who work part of a week and perform jury duty the remainder of the week will be paid for the full workweek. For eligible nonexempt employees and for eligible exempt employees who do not work during the week, paid jury leave may be available. For employees who have been continuously employed by us for more than 90 days, we provide up to two workweeks of paid leave per calendar year for jury duty. The amount of pay is your regular wage minus any actual wages paid for that shift. If you exhaust your paid jury duty leave, you may use your accrued paid vacation. *Any compensation received from the courts must be turned over to Cascade Wood Products, Inc.*

You must notify your supervisor and the HR department as soon as you know the dates of scheduled jury service. If you are on day shift and you are released from jury service before lunchtime for your scheduled shift, you must promptly report to work for the remaining portion of your shift. Jury duty request forms are available from the HR Department.

Witness Duty

You must promptly inform your supervisor if you are subpoenaed to appear as a witness in legal proceedings during work hours. The time off will be unpaid, unless you ask to use accrued paid vacation. If we subpoena you to appear on the company's behalf at a legal proceeding, the time will be counted as hours worked.

Military Leave

Employees who serve in the United States military will be granted a protected leave of absence in accordance with federal law (the Uniformed Services Employment and Reemployment Rights Act, or USERRA). You or your commanding officer must promptly inform your supervisor or the HR Department as soon as you know the scheduled dates of your military service. We ask that you provide us with a copy of your orders. If you have any questions or want information on what is authorized military leave, contact the HR Department.

For military leaves that are 31 days or longer, you have the opportunity to continue the same medical insurance coverage for yourself, your spouse and your dependent children that you had on the day prior to the start of your military service. You will receive a notice describing both your USERRA and COBRA medical continuation rights to continue coverage for a limited time

by self-paying. To elect continuation coverage, follow the instructions in the notice. Contact the HR Department for information and assistance.

When you are discharged from military service, you will be granted job reinstatement rights in accordance with federal law. Within the time frames required by federal law, you must inform the HR Department of your application for reemployment and provide the HR Department with a copy of your discharge papers. Upon your return to work, USERRA entitles you to immediate reinstatement of medical insurance coverage for yourself, your spouse and your dependent children in our health plan. USERRA also entitles you, upon returning to work, to continue your participation in our pension plan as if you had continued to be employed during the protected military leave, including an opportunity for you to make up any contributions you would have made to your 401(k) plan. Please see the HR Department for information and assistance.

Bereavement Leave

In the event of the death of a close family member, we will grant up to 3 days of bereavement leave per employee per occurrence. Bereavement leave is unpaid, unless you use vacation time or you are eligible for other paid leave. You must notify your supervisor as soon as possible of the need for leave. We may require documentation of the death and of the family relationship. Close family members are defined as spouses, children (biological, adopted, live-in foster children or live-in stepchildren), parents, parents-in-law, siblings, siblings-in-law, son/daughter-in-law, grandparents, grandchildren, nieces, nephews, aunts, uncles and “significant others” (live-in adult companions with whom the employee was in a committed, exclusive, loving relationship). *Effective 1/1/2014 you may be eligible for additional leave through OFLA, please contact human resources for additional information.*

Bone Marrow Donation Leave

Employees who work twenty (20) or more hours per week are entitled to up to forty (40) hours of unpaid leave for the purposes of donating bone marrow. Verification of donation and the length of necessary leave may be required by the Company. Reasonable notice of leave must be provided. Employees may use accrued paid time off for this purpose.

Domestic Violence, Sexual Assault or Stalking Leave

An employee who is a victim of domestic violence, sexual assault or stalking, or is the parent or guardian of a minor child or dependent who is a victim, may take reasonable, unpaid time off from work to deal with the violence. To be eligible for the leave, the employee must work for an employer with six or more employees and have worked for more than 25 hours a week for at least 180 days prior to the leave.

The leave can be used for any of the following reasons:

To obtain services from a victim services provider for the eligible employee or the employee’s minor child or dependent;

To seek medical treatment for or to recover from injuries caused by domestic violence or sexual assault or stalking of the eligible employee or the employee's minor child or dependent;

To obtain, or to assist a minor child or dependent in obtaining counseling from a licensed mental health professional related to an experience of domestic violence, sexual assault or stalking;

To relocate or take steps to secure an existing home to ensure the health and safety of the eligible employee or the employee's minor child or dependent; or

To seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent, including preparing for and participating in protective order proceedings or other civil or criminal legal proceedings related to domestic violence, sexual assault or stalking.

Employees will not be compensated for time away from work for purposes related to domestic violence, sexual assault or stalking, but may use available vacation and personal time to cover the period of absence.

Employees must give reasonable notice of their intention to take time off from work, unless giving such notice is not feasible. Leave may be limited where it creates an undue hardship on the Company's business.

The Company may require certification that the employee or employee's minor child or dependent is a victim of domestic violence.

Personal Leave

Requests for unpaid personal leaves of absence will be evaluated on a case-by-case basis and generally will not extend longer than 30 calendar days.

If You Must Leave Us

Should you decide to leave the Company, we request that you provide your Supervisor with at least two (2) weeks advance notice of your departure. Your thoughtfulness will be appreciated. All Company property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc. must be returned at separation. Employees also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, employees will be required to repay the Company (through payroll deduction, if lawful) for any lost or damaged Company property.

As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

